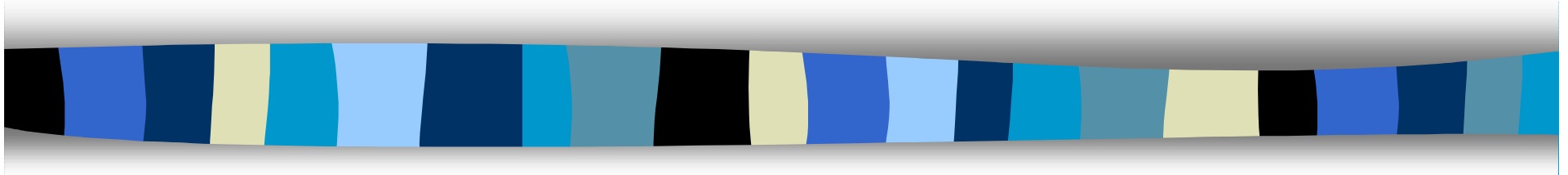


Massachusetts: Preliminary Employer Survey Results



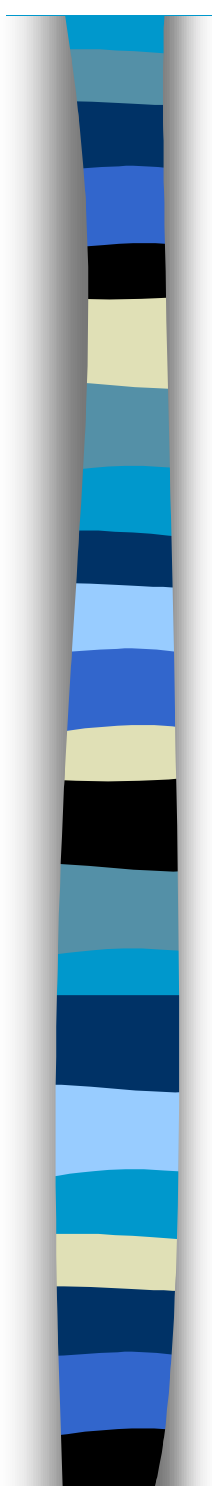
Amy Lischko, Assistant Commissioner,
Division of Health Care Finance and Policy

Presentation to:

The Council of State Governments

Eastern Region Annual Meeting

August 28, 2001

- 
- Overview of Massachusetts
 - Brief description of survey methodology
 - Selected preliminary results
 - Next Steps: How our results will impact our policy deliberations

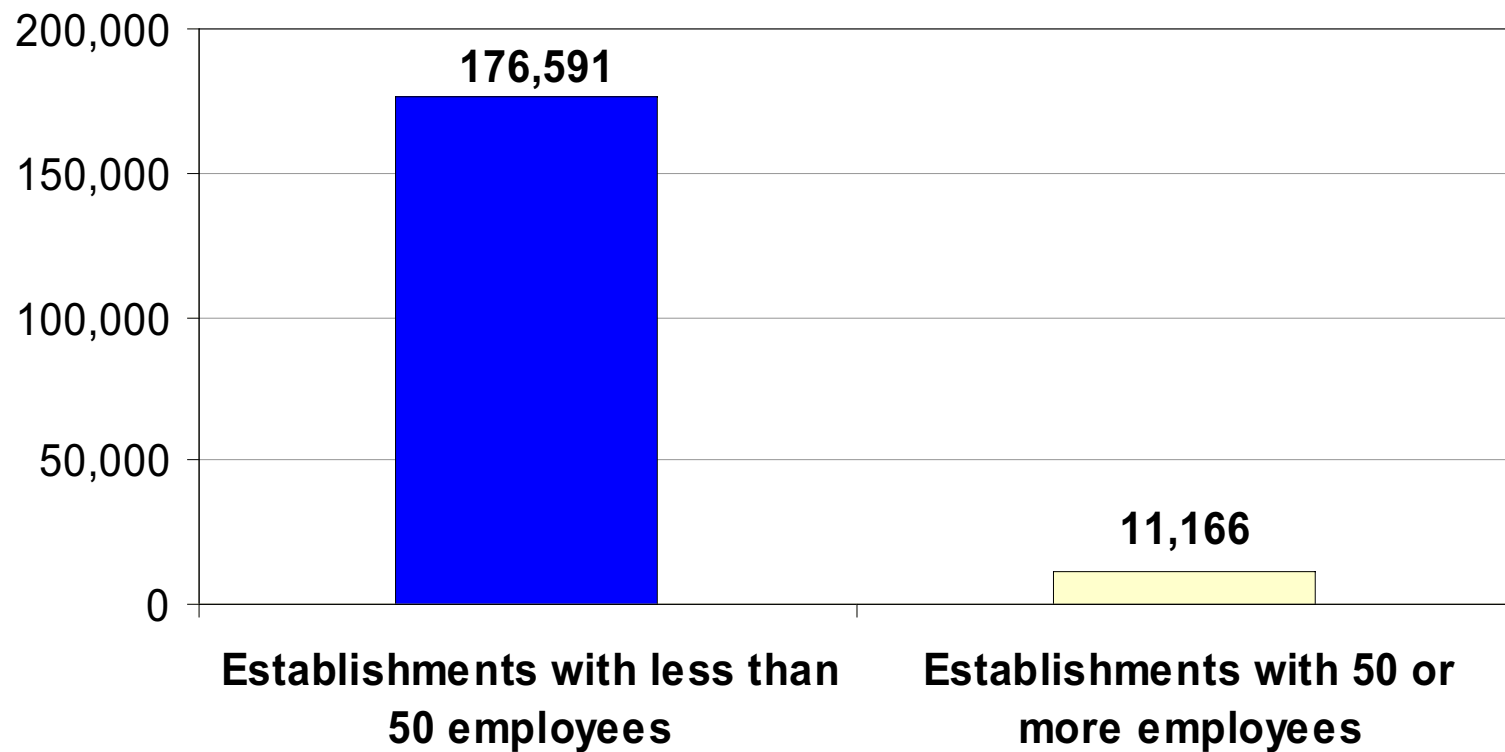


Massachusetts Overview

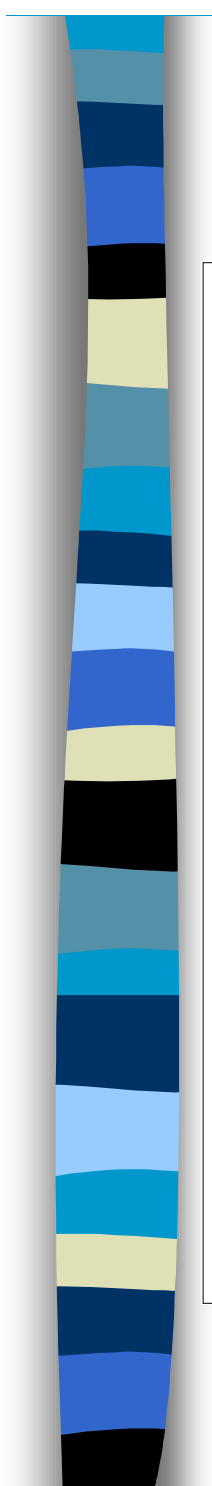
- Population
- Who are the Uninsured?
- Employer Market



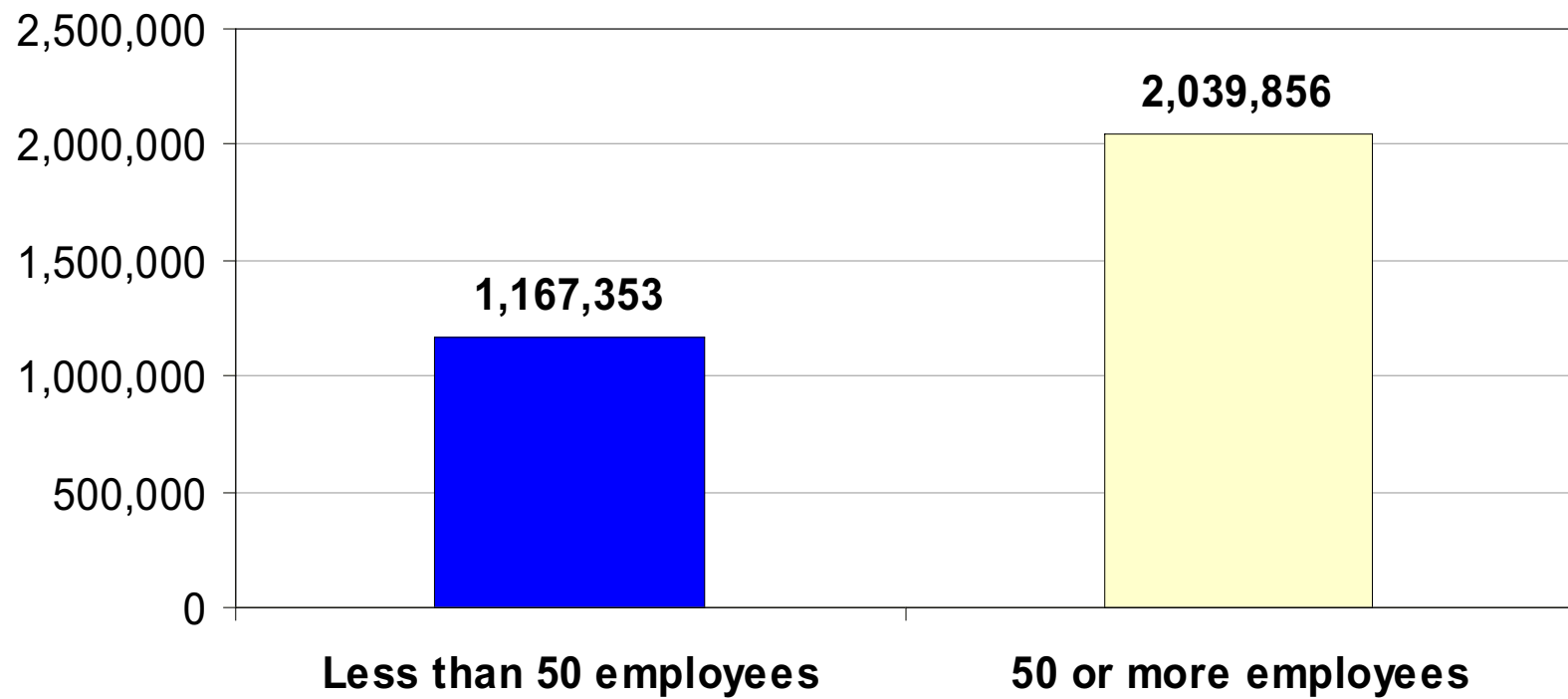
Number of Establishments in Massachusetts by size, March 2000



Source: MA Division of Employment and Training, March 2000.



Number of Employees in Massachusetts Establishments by firm size, March 2000



Source: MA Division of Employment and Training, March 2000.

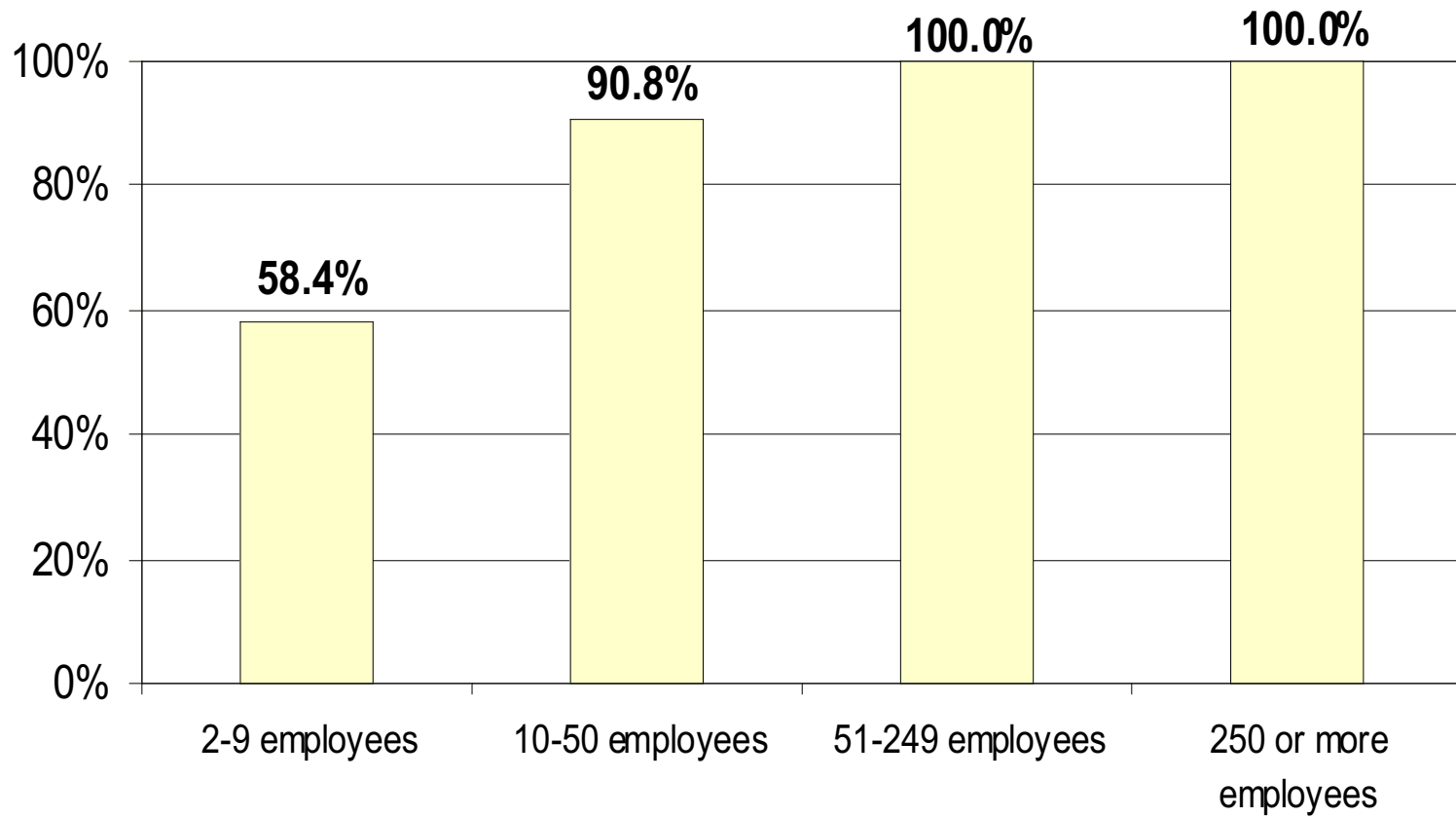


2001 Employer Survey

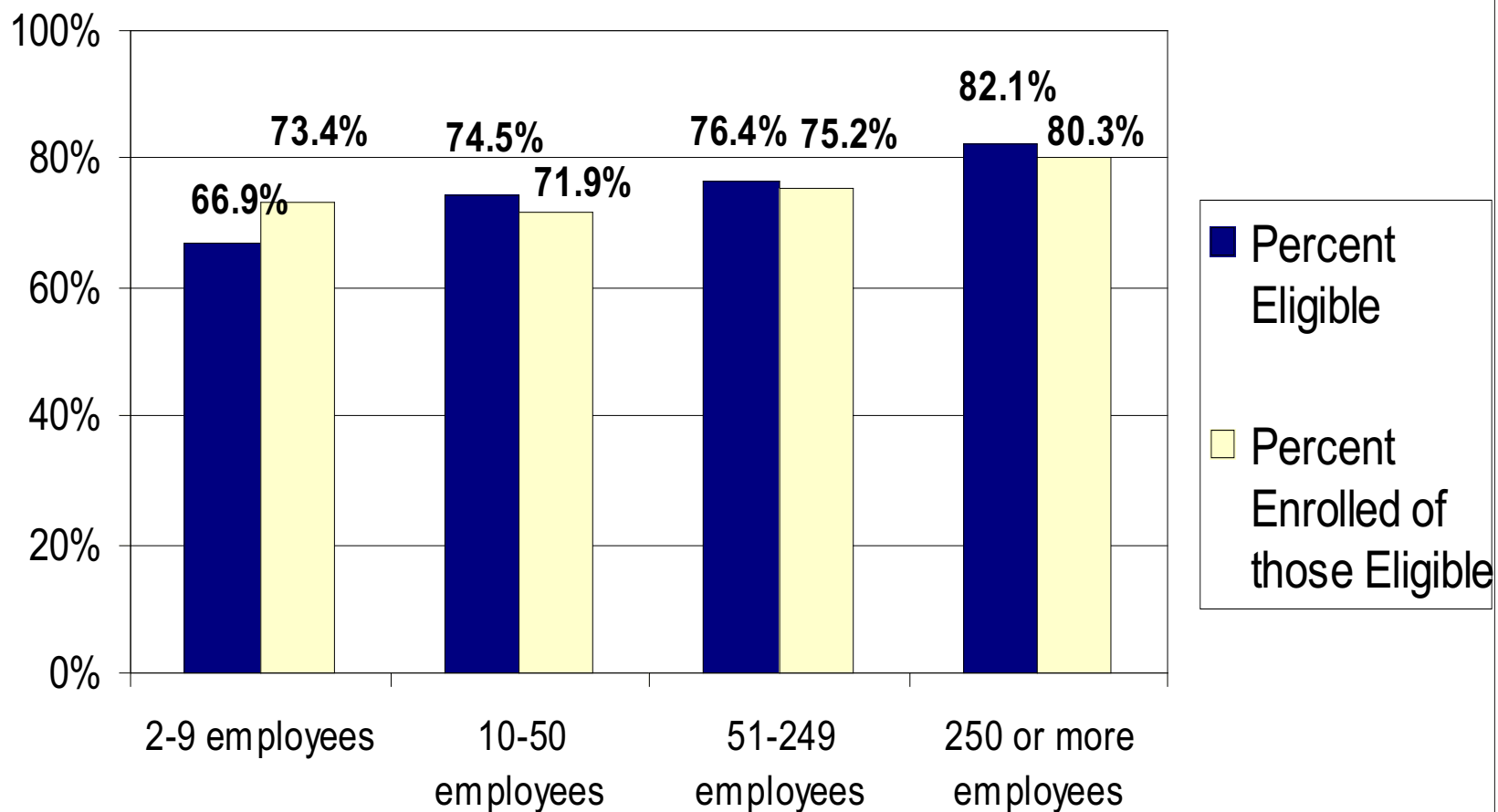
- Survey Objectives
- Survey Methodology
 - Sampling frame
 - Survey instrument
 - Preliminary data reported on today (482 employers)
 - Data is not weighted to reflect the Massachusetts employer market



Percent of Survey Population that Offers Insurance by Establishment Size

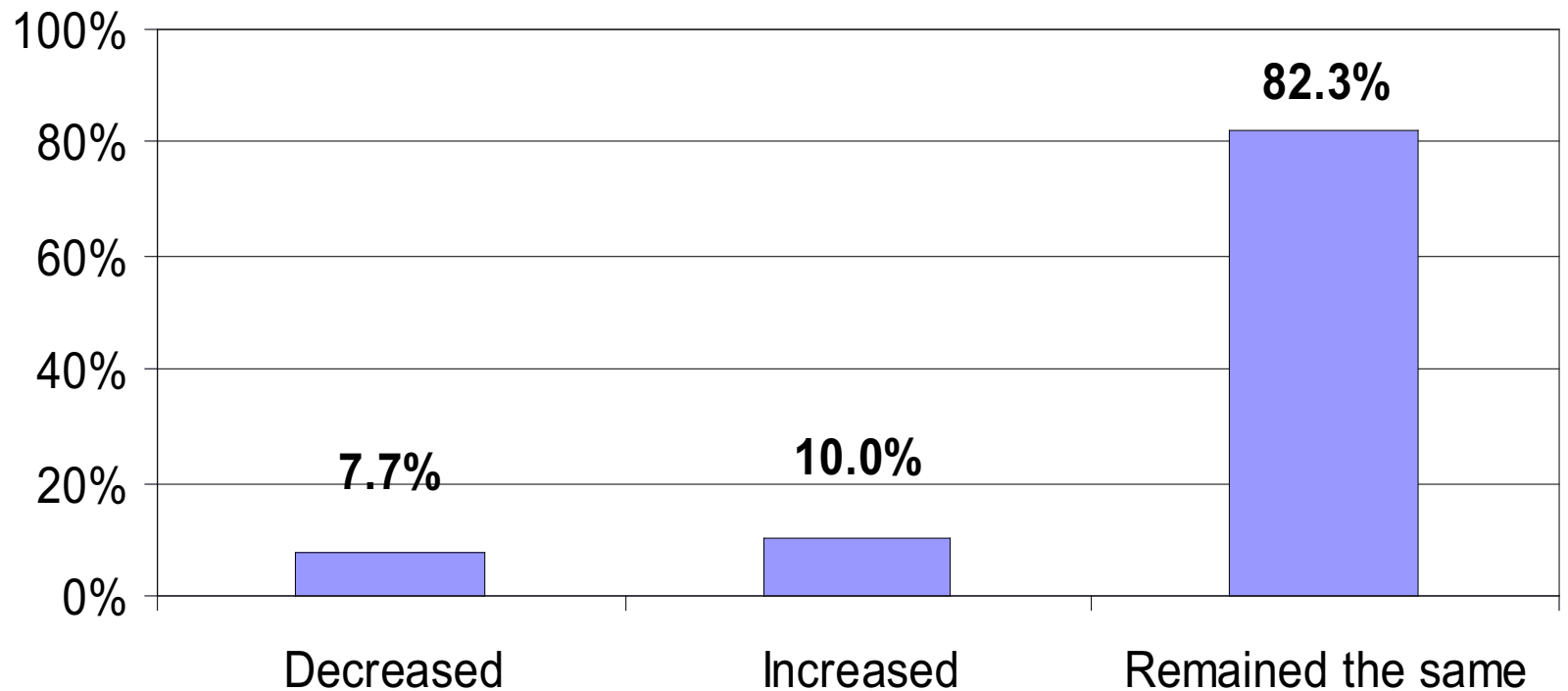


Employee Eligibility for Health Insurance by Establishment Size





Compared to the Previous Three Years: Change In Take-Up Rate for the Establishments in Our Survey Population





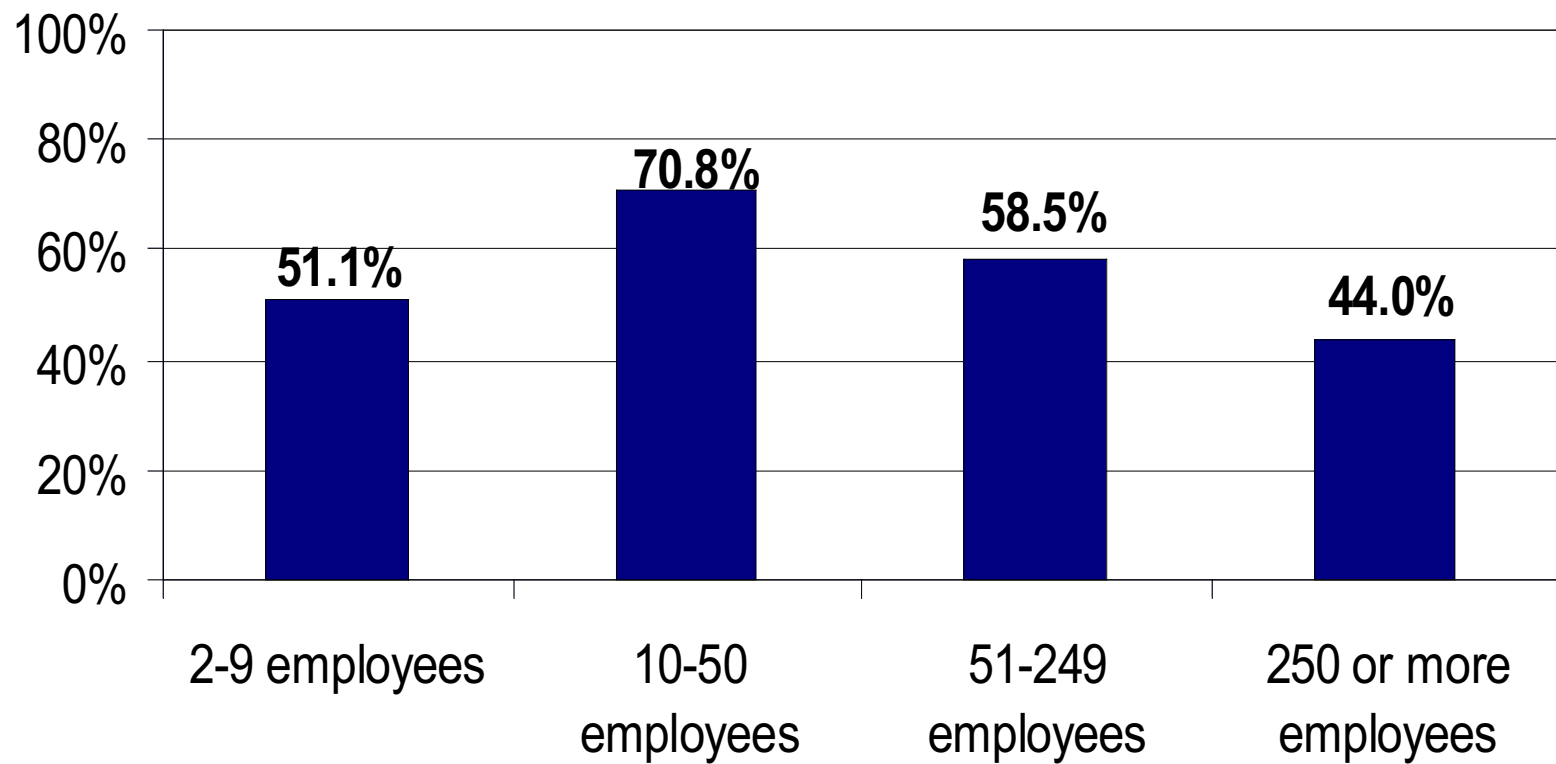
Average Annual Premiums for Our Survey Population

	Individual		Family of four	
	<i>Mean</i>	<i>Median</i>	<i>Mean</i>	<i>Median</i>
Total Annual Premium Cost	\$2,944	\$2,808	\$7,888	\$7,560
Annual Employee contribution	\$641 (21.8%)	\$528 (18.8%)	\$2,569 (32.6%)	\$1,950 (25.8%)
Annual Employer contribution	\$2,303 (78.2%)	\$2,280 (81.2%)	\$5,319 (67.4%)	\$5,610 (74.2%)

Note: Approximately 95% of establishments that offer health insurance offer coverage for spouses and children.

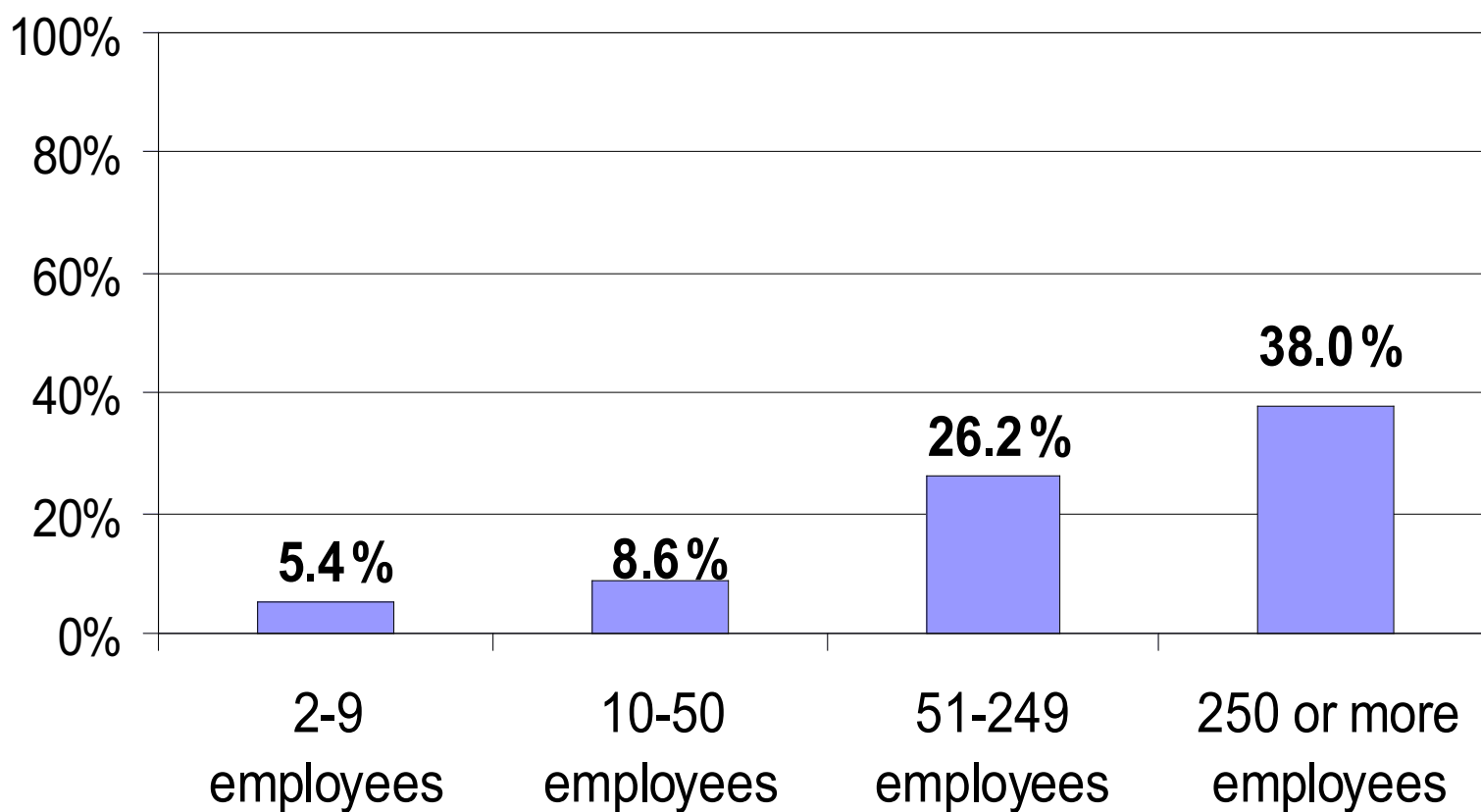


Percent of Survey Population with a Waiting Period, by Establishment Size





Percent of Survey Population with at least One Self-funded Plan, By Establishment Size





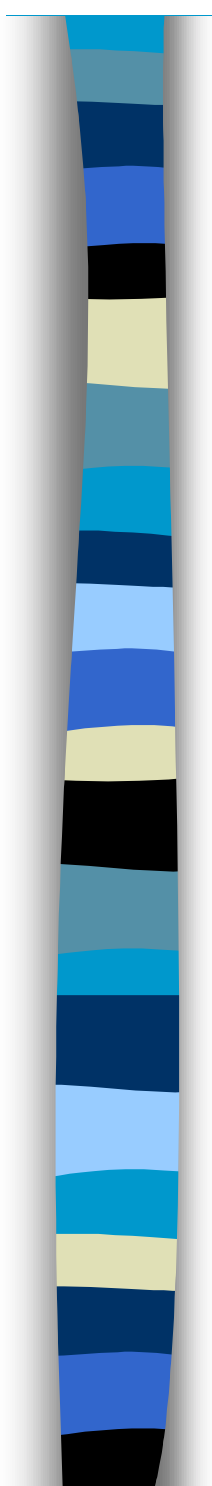
Reasons for Self-funding

- 1. The expected savings: 86.7%
- 2. To offer a richer benefit package than routinely available: 47.6%
- 3. To keep consistency with a national plan: 36.6%
- 4. Other reasons: 35.6%
- 5. To be free from state mandates: 13.6%



Employers in Our Survey Population that Do Not Offer Insurance

- Average size = 6.2 employees
- 21.4% had offered health insurance in the past
- 13.6% responded that it was very likely that they would offer insurance in the next two years



Reasons for Not Offering Insurance: Percent Who Answered that the Reason was Very Important

- Premiums too high: 64.1%
- Employees generally covered under other plans obtained elsewhere: 57.0%
- Most employees are part-time, temporary, or contracted: 44.3%
- Financial status of organization prohibits it at this time: 41.8%

Next Steps

